

EXPENSES OF AMERICAN PARTICIPATION IN INTERNATIONAL EXPOSITION AT RIO DE JANEIRO IN 1922

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REPORT BY THE SECRETARY OF STATE OF EXPENDITURES ON ACCOUNT OF AMERICAN PARTICIPATION IN THE INTERNATIONAL EXPOSITION HELD IN RIO DE JANEIRO IN 1922

JANUARY 5 (calendar day, JANUARY 8), 1925.—Ordered to lie on the table and be printed

To the Congress of the United States:

I transmit herewith a report by the Secretary of State, submitting, for transmission to the Congress, a copy of the report of the special disbursing officer of the Department of State of the expenditures made under the provisions of the joint resolution approved November 2, 1921, entitled "Joint resolution accepting the invitation of the Republic of Brazil to take part in an international exposition to be held in Rio de Janeiro in 1922."

CALVIN COOLIDGE.

THE WHITE HOUSE.

Washington, January 9, 1925.

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Congress, in pursuance of section 9 of the joint resolution approved November 2, 1921, entitled "Joint resolution accepting the invitation of the Republic of Brazil to take part in an international exposition to be held in Rio de Janeiro in 1922," a copy of the report of the special

disbursing officer of the Department of State of the expenditures made under the provisions of the said resolution.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,

Washington, January 6, 1925.

DEPARTMENT OF STATE,

Washington, May 31, 1924.

The SECRETARY OF STATE,

Washington, D. C.

SIR: Acting under instructions to make an analysis and distribution of all disbursements made under authority of Public Resolution No. 25, Sixty-seventh Congress, in connection with the participation of the United States Government in the Centennial Exposition at Rio de Janeiro, Brazil, I have the honor to report as follows:

I was appointed special disbursing officer, Department of State, January 12, 1922, and sailed for Brazil, February 2, 1922, entering at once on arrival upon the duties of my post. I remained on duty there until December 7, 1923, on which day I sailed for the United States.

During that period the following funds were at my disposal:

Cash paid to me February 1, 1922, the day before sailing for Brazil	\$2,000.00
Drafts drawn by me on the State Department	92,439.31
Check credits, Treasurer of the United States	589,500.00
Uncalled-for wages, returned by contractors, etc	37.35
Refunds from various sources	337.21
Proceeds of sale of surplus materials, etc	11,849.16
Total	696,163.03
Total disbursements made by me	694,020.04
Deposited with Treasurer United States January 2, 1924	\$767.99
Deposited with Treasurer United States January 5, 1924	1,375.00
	2,142.99
	696,163.03
Gross disbursements made by me in Brazil	694,020.04
Disbursements made by disbursing clerk in Washington	129,754.46
Disbursements made through General Accounting Office	37,352.70
Total disbursements	861,127.20

As set forth above, the gross disbursements made by me in Rio de Janeiro totaled \$694,020.04. The following is an analysis and distribution of these payments:

Salaries, commissioner general and other commissioners	\$23,604.16
Salary, special disbursing officer	9,583.33
Salaries, employees of commission	42,280.85
Salaries, departmental representatives	15,565.42
Subsistence, commissioner general and attachés	5,364.47
Per diem allowance, commissioner general and attachés	28,157.59
Per diem allowance, departmental representatives	18,048.00
Office and other miscellaneous expenses	9,353.26
Exhibits, preparation, shipment, installation, care, reshipment, and delivery of	16,842.14

Cinema, equipment, and operation of (exclusive of cost of building, salaries, and light and power, which expenditures appear under other heads).....	\$7, 825. 68
Travel expenses, commissioner general and others.....	2, 442. 88
Travel expenses, departmental representatives.....	785. 42
Entertainments.....	4, 345. 17
Furniture.....	7, 067. 36
Telephone, installation and service.....	748. 57
Electric light and power service.....	3, 268. 95
Rental of automobile, with chauffeur.....	3, 379. 74
Publicity material (printing and translations).....	2, 348. 68
Expenses of special mission, September, 1922.....	4, 860. 04
Expenses, equipment of marine camp.....	3, 401. 44
Cost of site.....	52, 413. 00
Cost of main building.....	377, 528. 96
Cost of supplemental buildings.....	54, 804. 93

Total disbursements in Rio de Janeiro..... 694, 020. 04

The expenditures in Rio de Janeiro incident to the erection of the main building constructed immediately for exposition purposes, but with the idea that the President acting under authority of Public Resolution No. 25, Sixty-seventh Congress, might direct that the same be used ultimately as an embassy, amounted, as shown above, to \$377,528.96. A careful analysis and distribution of the disbursements in detail show the following results:

Cost of main building, Rio de Janeiro, gross disbursements

Architect's commission.....	\$16, 050. 00
Subsistence, architect and assistants.....	5, 025. 82
Travel expenses, architect and assistants.....	965. 04
Contractors' commission.....	17, 500. 00
Subsistence, superintendent of construction.....	1, 283. 63
Travel expenses, certain employees of contractors.....	1, 114. 05
Salaries, employees of contractors.....	36, 952. 16
Office and other miscellaneous expenses of contractors.....	5, 839. 30
Customs clearances.....	1, 102. 27
Ocean freight.....	6, 958. 06
Marine insurance.....	366. 36
Insurance on buildings while in process of construction.....	1, 141. 98
Liability insurance, mechanics, etc.....	1, 742. 76
Tearing down old building.....	684. 59
Lumber.....	15, 927. 47
Doors, frames, etc.....	2, 458. 94
Iron and steel.....	11, 536. 08
Stone.....	31, 574. 32
Cement.....	8, 843. 18
Crushed stone and sand.....	2, 395. 34
Electrical and plumbing supplies, and installation.....	20, 257. 99
Plaster work (including outside stucco work).....	29, 072. 22
Caen-stone work.....	9, 479. 33
Bricks.....	9, 997. 96
Lime.....	1, 417. 15
Tile (roof, floor, etc.).....	9, 153. 10
Marble.....	2, 777. 41
Hauling.....	2, 155. 26
Paint and painting.....	17, 271. 69
Building cupboards.....	1, 607. 75
Roofing materials other than tile.....	2, 462. 55
Steel windows and leaded glass therefor.....	10, 516. 00
Ornamental iron work (doors, grills, etc).....	6, 500. 26
Rain and drain pipes (copper).....	2, 883. 78
Venetian blinds.....	1, 171. 78
Outdoor construction (walls, gates, etc.).....	3, 343. 89

Concrete mixer-----	\$2, 823. 35
Miscellaneous materials and services (including machinery, tools, etc.)-----	16, 817. 70
Wages, mechanics and laborers-----	58, 358. 44
Total-----	377, 528. 96

As set forth above, the gross disbursements made in Washington by the disbursing clerk of the Department of State aggregated \$129,754.46. The same being analyzed and distributed, the following result is shown:

Gross disbursements in Washington by disbursing clerk

Salaries of commissioners-----	\$29, 712. 51
Salary of special disbursing officer-----	2, 347. 22
Salaries of commission employees-----	17, 002. 76
Office and other miscellaneous expenses-----	1, 275. 44
Travel expenses, commissioners and others-----	5, 986. 85
Travel expenses, departmental representatives-----	7, 544. 50
Exhibit, preparation, shipment, installation, care, reshipment, and delivery of-----	32, 876. 04
Publicity material (printing and translations)-----	9, 696. 67
Salaries, departmental representatives-----	7, 172. 47
Per diem allowance, departmental representatives-----	78. 00
Cinema expenses-----	7, 817. 23
Furniture-----	4, 159. 30
Main building-----	3, 065. 27
Special mission, September, 1922-----	1, 020. 20
Total-----	129, 754. 46

Besides the above, additional disbursements were made in Washington aggregating \$37,352.70, in the form of "direct settlements," or payments made on order of the General Accounting Office, on vouchers approved and submitted by the Bureau of Accounts, Department of State. The same being analyzed and distributed, the result is:

Disbursements in the form of "direct settlements," Washington

Office expenses, etc.-----	\$479. 40
Exhibits, preparation, etc., of-----	13, 988. 59
Salaries, employees returning from Rio de Janeiro-----	1, 000. 00
Salaries, departmental representatives returning from Rio de Janeiro-----	530. 00
Cinema expenses-----	4, 083. 74
Per diem, departmental representatives-----	1, 104. 00
Travel expenses, commission employees-----	1, 499. 24
Travel expenses, departmental representatives-----	377. 79
Publicity material (printing and translations)-----	7, 000. 00
Main building-----	22. 85
Special mission, September, 1922-----	7, 267. 09
Total-----	37, 352. 70

A consolidation of the three classes of disbursements, by myself at Rio de Janeiro, by the disbursing clerk in Washington, and by the General Accounting Office ("direct settlements") in Washington shows the following result:

Total gross disbursements in Rio de Janeiro and Washington

Salaries, commissioner general and other commissioners-----	\$53, 316. 67
Salary, special disbursing officer-----	11, 930. 55
Salaries, employees of commission-----	60, 283. 61

Salaries, departmental representatives-----	\$23, 267. 89
Subsistence, commissioner general and attachés-----	5, 364. 47
Per diem allowance, commissioner general and attachés-----	28, 157. 59
Per diem allowance, departmental representatives-----	19, 230. 00
Office and other miscellaneous expenses-----	11, 108. 10
Exhibits, preparation, shipment, installation, care, reshipment, and delivery of-----	63, 706. 77
Cinema, equipment and operation of (exclusive of cost of building, salaries, and light and power, which expenditures appear under other heads)-----	19, 726. 65
Travel expenses, commissioner general and others-----	9, 928. 97
Travel expenses, departmental representatives-----	8, 707. 71
Entertainments-----	4, 345. 17
Furniture-----	11, 226. 66
Telephone, installation and service (Rio de Janeiro)-----	748. 57
Electric light and power service (Rio de Janeiro)-----	3, 268. 95
Rental of automobile, with chauffeur-----	3, 379. 74
Publicity material (printing and translations)-----	19, 045. 35
Expenses of special mission, September, 1922-----	13, 147. 33
Expenses, equipment of marine camp, Rio de Janeiro-----	3, 401. 44
Cost of building site-----	52, 413. 00
Cost of main building-----	380, 617. 08
Cost of supplemental buildings-----	54, 804. 93
Total-----	861, 127. 20

These figures represent gross disbursements, but do not show actual cost of the participation of the United States Government in the Brazilian Centennial Exposition, which was \$12,869.04 less than the total above set forth.

At the beginning of this report it will be observed that I indicate the funds at my disposal during my term of service in Rio de Janeiro as follows:

Cash-----	\$2, 000. 00
Drafts drawn by me, Department of State-----	92, 439. 31
Check credits, Treasurer of the United States-----	589, 500. 00
Total Treasury funds at my disposal-----	683, 939. 31
Deposited with United States Treasurer January, 1924-----	2, 142. 99
Actual cash payments from United States Treasury-----	681, 796. 32
Other funds coming into my hands and duly disbursed by me aggregated-----	12, 223. 72
Gross disbursements at Rio de Janeiro-----	694, 020. 04
But this total of \$12,223.72 was money which I had previously paid out, but had been returned to me for one reason or another, as follows:	
Uncalled for wages returned to me by contractors, etc-----	\$37. 35
Refunds from various sources-----	337. 21
Proceeds from sale of surplus materials-----	11, 849. 16
Total credits-----	12, 223. 72

In other words, the amount in question, \$12,223.72, was disbursed by me twice, and should therefore be deducted from the total gross disbursements made on behalf of the United States commission, including those on account of the erection of the building now being used as an embassy. Thus the net outlay in Rio de Janeiro was \$681,796.32, and not \$694,020.04, as appears from the disbursement figures presented in above tables.

The same thing applies to the funds paid out in Washington.

The actual disbursements by the disbursing clerk as shown above aggregated..... \$129,754.46
 To him, also, certain refunds were made from time to time which were deposited with the Treasurer of the United States. These totaled..... 645.32

Net outlay, payments in Washington by disbursing clerk... 129,109.14

To recapitulate:

The combined disbursements in Rio de Janeiro and Washington were..... 861,127.20
 Refunds and other credits at Rio de Janeiro..... \$12,223.72
 Refunds in Washington..... 645.32

Total credits..... 12,869.04

Actual cost to United States Government..... 848,258.16

The refunds and other cash payments made to me in Rio de Janeiro, \$12,223.72, when distributed and allocated, should be credited as follows:

Cost of main building..... \$3,744.21
 Cost of exhibits building..... 2,882.92
 Equipment and operation of cinema..... 4,524.84
 Exhibits, preparation, care, etc., of..... 1,034.95
 Travel expenses, commissioners, etc..... 21.40
 Travel expenses, departmental representatives..... 15.40
 \$12,223.72

The refunds made to the Chief Bureau of Accounts in Washington should be credited to the following items:

Salaries of commissioners..... \$229.17
 Travel expenses, commissioners et al..... 194.85
 Travel expenses, departmental representatives..... 157.00
 Special mission..... 47.36
 Main building, Rio de Janeiro..... 16.94
 645.32

Total credits..... 12,869.04

The application of these credits to the respective items indicated results in the following readjustments, to wit:

	Disbursement	Credit	Net cost
Main building, Rio de Janeiro.....	\$380,617.08	\$3,761.15	\$376,855.93
Exhibits building, Rio de Janeiro.....	54,804.93	2,882.92	51,922.01
Cinema, equipment and operation.....	19,726.65	4,524.84	15,201.81
Exhibits, preparation, care, etc., of.....	63,706.77	1,034.95	62,671.82
Salaries of commissioners.....	53,316.67	229.17	53,087.50
Travel expenses, commissioners et al.....	9,928.97	216.25	9,712.72
Travel expenses, departmental representatives.....	8,707.71	172.40	8,535.31
Expenses of special mission.....	13,147.33	47.36	13,099.97
Total.....	603,956.11	12,869.04	591,087.07

The remaining items in the above disbursement tables are not affected by the several credits or refunds which I have cited.

In the above statement of expenditures the net sum of \$376,855.93 is shown to have been spent in the erection of the permanent building now being used as the United States embassy, the gross total of disbursements, \$380,617.08, being reduced to the extent of \$3,761.15, total of credits. This does not include cost of lot, which appears under a separate head. Nor does it include the cost of a garage.

Under the commission's original budget, approved by the Secretary of State January 30, 1922, provision was made for the main building

only. In a later budget, approved July 3, 1922, the sum of \$60,375 was allotted for an exhibits building, supplementary to the main building. Under this authority three separate buildings were erected, all joined together and to the main building. Two of these were temporary structures, and the other a substantial permanent building. The first two were intended to be used, and were used, respectively, for exhibits and for moving picture productions, while the third building, though equipped temporarily for exposition purposes, was intended for a garage, to be so used following the close of the exposition, and the delivery of the property to the United States ambassador for embassy purposes should the President so determine.

As shown above, of the amount allotted for an exhibits building, \$60,375, the sum of \$54,804.93 was actually disbursed. However, it is impossible to determine from our figures how much of this was spent on the garage, as the budget of July 3, 1922, called for the expenditure of a lump sum for an exhibits building, the identity of one structure as a garage not appearing in any official instructions during the early stages of construction.

However, the contractors, Dwight P. Robinson & Co. (Inc.), kept a separate record of the cost of each of the three structures erected under the allotment of \$60,375 for an exhibits building, and they calculate that the garage cost \$18,968.35.

Accepting these figures, the cost of the property when turned over to the United States ambassador was as follows:

Site.....	\$52, 413. 00
Main building.....	376, 855. 93
Garage.....	18, 968. 35
Total.....	448, 237. 28

The figures which I have presented above do not include expenditures incurred in refitting the property in Rio de Janeiro and the equipment of the same for embassy purposes, which expenditures were specifically authorized by Congress in the deficiency act of March 4, 1923, and which have been incurred under the direction of the United States ambassador to Brazil.

Under Public Resolution No. 25, Sixty-seventh Congress, and the deficiency act of December 15, 1921, the sum of \$1,000,000 was appropriated to cover the expenses incident to the participation of the United States Government in the Brazilian Centennial Exposition. In a conversation which I had with the President January 12, 1922, the day I was selected for the post of special disbursing officer, he particularly emphasized his desire that rigid economy should be adhered to and that the entire \$1,000,000 might not be expended. It is with pleasure that I call attention to the fact that the actual expenditures of the commission fell short of the total appropriation to the extent of \$151,741.84. Nor should we lose sight of the fact that one-half of the amount actually expended was invested in real estate; i. e., the finest embassy building in the Brazilian capital.

I have the honor to be,

Your obedient servant,

FRANK W LEACH,
Special Disbursing Officer.

